

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN DAVE LEWIS**, on March 18, 2003 at 8:05 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Dave Lewis, Chairman (R)
Rep. Rosalie (Rosie) Buzzas, Vice Chairman (D)
Rep. Edith Clark, Vice Chairman (R)
Rep. John Brueggeman (R)
Rep. Tim Callahan (D)
Rep. Stanley (Stan) Fisher (R)
Rep. Eve Franklin (D)
Rep. Dick Haines (R)
Rep. Donald L. Hedges (R)
Rep. Joey Jayne (D)
Rep. Carol C. Juneau (D)
Rep. Dave Kasten (R)
Rep. Christine Kaufmann (D)
Rep. Monica Lindeen (D)
Rep. John Musgrove (D)
Rep. Jeff Pattison (R)
Rep. Rick Ripley (R)
Rep. John Sinrud (R)
Rep. John Witt (R)

Members Excused: None.

Members Absent: None.

Staff Present: Jon Moe, Legislative Branch
Mary Lou Schmitz, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 739, HB 735, HB 746, HB 367, HB
295, HB 4, 3/7/2003
Executive Action: HB 701, HB 736, HB 276

HEARING ON HB 4

Sponsor: REP. JOHN BRUEGGEMAN, HD 74, Polson

Opening Statement by Sponsor:

REP. BRUEGGEMAN said this bill appropriates money that would usually be appropriated by budget amendment to various state agencies for the fiscal year ending June 30, 2003. Amendments HB000401.ate and HB000402.ate, Exhibits 1 and 2 were handed out.

EXHIBIT(aph57a01)

EXHIBIT(aph57a02)

Proponents' Testimony:

Jane Hamman, Office of Budget and Program Planning is available for questions.

Opponents' Testimony: None

Informational Testimony:

Jane Hamman, Office of Budget and Program Planning testified as a proponent and Informational Witness and is available for questions.

Questions from Committee Members and Responses:

REPS. KASTEN, and JUNEAU to Sponsor. REP. BRUEGGEMAN said this is taking a lot of the grants that are out there and wrapping them into one bill as opposed to putting them all into HB 2 with one-time money. This is a way of separating that out and is a cleaner way of doing it. When it comes to state special, General Fund, etc. some of the one-time only issues are dealt with in the budget and should stay there. You could look at this as more resources the agency has but these are very specific grants for very specific purposes so it is not something they can simply add on to their overhead or use for operating expenses.

Closing by Sponsor:

REP. BRUEGGEMAN said this is a bill to authorize ongoing federal money that maybe wasn't spent in the last biennium and then any new potential grants that come into the next biennium. He closed the hearing on HB 4.

HEARING ON HB 295

Sponsor: REP. LARRY JENT, HD 29, Bozeman.

Opening Statement by Sponsor:

REP. JENT said this bill creates the offense of aggravated driving under the influence of alcohol. A person commits the offense of aggravated driving under the influence when he operates a motor vehicle under the influence of alcohol, and then is in one of two situations; either he has a .3 or above or has previously been convicted of a DUI offense and that previous offense was a felony, either negligent homicide which means he killed somebody, or criminal endangerment which means he was in a serious personal injury accident. This is a bill that addresses the drunkest of the drunk and the most dangerous offenders.

The reason this bill is in the Appropriation's Committee, is that there is a fiscal note which is based upon some assumptions that were in the original bill. The original bill involved any DUI whether there was injury to another, property damage in excess of \$10,000, where someone had been previously arrested and refused the test. That was a very expansive category. The fiscal note addresses the original form of the bill. Because of that the fiscal note is not accurate. Most of the concerns that are expressed in the fiscal note are taken care of by the amendments that occurred in the House Judiciary Committee.

Proponents' Testimony:

George Corn, Ravalli County Attorney, Director, Montana County Attorney Association said this is a very critical and important bill and urged its passing.

Mike Barrett, Helena

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

REP. KASTEN said it is his understanding there is a law on the books to confiscate vehicles and he has been told that county attorneys are reluctant to use that type of punishment. **Mr. Corn** said it depends. County Attorneys try to forfeit the vehicles when they can. Quite often there is other interest involved, such as jointly owned, so they have to go through a civil

proceeding, and other times the vehicles are in such condition, they are not worth recovering.

REP. HAINES said he talked to some law enforcement people as well as some attorneys in Missoula. They mentioned their average was .28. "Would it be of any value to drop this down to .28 instead of .3?" **REP. JENT** said he doesn't think the average DUI is .28. The average DUI offender that is convicted is more in the .13 or .14 range. Above .2 offenders are extremely rare, in his experience. He does not think it should be dropped.

REP. FISHER asked "How does this bill compare with the current law as effected with DUI. Does it stay in place?" **REP. JENT** said anyone convicted under this statute could be convicted of something else. They could be convicted of plain DUI. That would be a lesser offense. If for some reason, the prosecutor didn't prove .3 or didn't prove that they had the previous felony DUI-related offense, as long as they were operating a motor vehicle on highways open to the public under the influence of alcohol, they could be convicted of DUI, the basic DUI statute. An aggravated DUI creates a heightened or more serious offense.

In response to a comment **REP. FISHER** made concerning "let the offenders pay for their own jail time," **REP. JENT** said that is a good idea. Because of the seriousness of this offense and the assumptions that have to be proven, this is not the first time the offenders will have to pay the fine. He understands the local budgeting and thinks that is a good idea. **REP. FISHER** will offer an amendment.

REP. MUSGROVE referred to the fiscal note and asked the sponsor if he had asked for another fiscal note. **REP. JENT** said he did ask for another fiscal note and there is a new one in the packets for the committee and more accurately reflects the amendments put on.

REP. JAYNE said the sponsor mentioned in his opening that this is a very narrow class of people who would come under this statute. **REP. JENT** said "That is correct. It is a very small number of offenders." **REP. JAYNE** asked, "Why do we have a statute if the current law will take care of these individuals?" **REP. JENT** said, "These offenders, while a small class of offender, are the most dangerous offenders. They are pathological drunks. It is a disease and it is a lifestyle. Severe sanctions like this that add severe jail penalties attached give some deterrents to a statute like this as a matter of correctional policy but, they are not going to hurt somebody else if they are sitting in jail."

{Tape: 1; Side: A; Approx. Time Counter: 0 - 29.4}

REPS. JAYNE, HEDGES, BUZZAS, JUNEAU, HAINES, FISHER and WITT asked Mr. Corn and REP. JENT for further legal explanations and comments.

Closing by Sponsor:

REP. JENT closed the hearing on HB 295, by saying, "The problem of the aggravated habitual, pathological offender is one that is a problem in all Montana counties. It seriously affects the safety of all Montana citizens."

HEARING ON HB 367

Sponsor: **REP. JONATHAN WINDY BOY, HD 92, Box Elder**

Opening Statement by Sponsor:

REP. WINDY BOY said this bill will allocate a portion of the federal mineral lease and royalty income to the hard-rock mining reclamation debt service fund authorizing the sale of hard-rock mining reclamation bonds for the financing of long-term or perpetual water treatment at the Zortman and Landusky mine sites; establishing a long-term or perpetual water treatment permanent trust fund for the Zortman and Landusky mines, creating a state debt. The sponsor handed out and explained Exhibit 3.

EXHIBIT (aph57a03)

{Tape: 1; Side: B; Approx. Time Counter: 0 - 29.4}

Proponents' Testimony:

Andrew Huff, Attorney, Fort Belknap, presented and explained slides on an overhead and the financing aspects of the bill. The bill is aimed solely at the water treatment plant, \$12.4 million, and the idea is to put that in a trust fund in 2004 and let it earn interest all the way up to the year 2017 at which point, it will be worth \$30 million. That, plus the \$15 million, will equal the \$45 million they need. The bill directs the state to issue bonds worth \$12.4 million so the state would be borrowing \$12.4 million, investing it in 2004 and letting it grow for the next several years.

EXHIBIT (aph57a04)

Benjamin Speakthunder, President, Fort Belknap Indian Community Council.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 29.5}

Darrel Martin, Vice President, Fort Belknap Indian Community Council.

Bruce Plummer, Tribal Member, Concerned Citizen.

Dean Stiffarm, Tribal Member, Fort Belknap.

Bill Bell, Tribal Member, Fort Belknap.

Jeff Barber, Montana Environmental Information Center.

Angela Janacaro, Montana Mining Association.

Les Cramer, Eagles Watch Organization.

Opponents' Testimony: None

Informational Testimony: Jan Sensabaugh, Director, Department of Environmental Quality, said she and her staff are present to answer any questions the committee may have.

Questions from Committee Members and Responses:

REP. KASTEN asked Mr. Stiffarm to explain the process.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 29.5}

Mr. Stiffarm said there is supposed to be an operator on site at all times to watch the process. When he, Mr. Stiffarm, has gone there, nobody is there.

REP. PATTISON to **REP. WINDY BOY** concerning amendments.

REP. MUSGROVE asked Ms. Sensibaugh if her Department had enough money and personnel to do what is right in that area without additional monies. **Ms. Sensibaugh** said, "No, they don't. They went back and did an impact statement to look at what the reclamation should be for the mining site. One of the things identified was, they were going to have to do more water treatment than they anticipated when they did the original reclamation plan and Pegasus posted the bond. In order to do long term water treatment at the site, as is necessary, they need the additional \$12.4 million to go into a trust fund and then have the principle large enough to generate interest that will run all the long term water treatment at the site."

In response to a question from **REP. HEDGES, Wayne Jepson, Project Officer**, said they are counting on completion of reclamation to

reduce the amount of water they will have to treat in the future. However, that will not eliminate the need for water treatment. Most of the costs are fixed. They have three water treatment plants: One at the Zortman mine, and one at the Landusky mine which amends the acid water to neutralize it and remove the metals. This water is then discharged into streams adjacent to the mine near the towns of Zortman and Landusky. The third treatment system which treats the water, is in the old ore heaps from which Pegasus recovered the gold. This water has contaminants that the other treatment plants can't treat so it is treated with a third system.

REPS. JAYNE, HEDGES, HAINES, and SINRUD, to Ms. Sensibaugh, Mr. Huff, Mr. Plummer, Mr. Speakthunder and REP. WINDY BOY for further explanation and clarification.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 29.6}

REPS. SINRUD, PATTISON, and HAINES to Mr. Plummer, Ms. Sensibaugh, and Mr. Jepson who said, "The treatment plants are automated and are linked into a main office so they can observe any changes in water chemistry without the operator being there full time. The operator is in the plant most of the time but his duties involve checking the water capture systems and the locations where the polluted water is collected each day making sure they are running efficiently. The person in the water treatment plants observing their operation, leaves the plant from time to time to check on other facilities around the mine sites. There is an operator in each of the two plants.

Closing by Sponsor:

REP. WINDY BOY closed the hearing on HB 367.

HEARING ON HB 739

Sponsor: **REP. SCOTT MENDENHALL, HD 39, Cardwell**

Opening Statement by Sponsor:

REP. MENDENHALL said this bill could be coined the Juvenile Offender Treatment Act. He referred to the fiscal note and amendment, Exhibit 5, and explained Exhibit 6. The bill moves the oversight of this placement budget out of the Department of Corrections and puts it in the Judicial Department. That is where this budget is being administered now.

EXHIBIT (aph57a05)

EXHIBIT (aph57a06)

{Tape: 3; Side: B; Approx. Time Counter: 0 - 29.5}

Proponents' Testimony:

Marko Lucich, Montana Juvenile Probation Officers' Association.

Anita Roessmann, Attorney, Montana Advocacy Program, handed out and explained Exhibit 7.

EXHIBIT(aph57a07)

John Larson, District Judge, Missoula

Kimberly Gardner, Administrator, Alternative Youth Adventure (AYA)

{Tape: 4; Side: A; Approx. Time Counter: 0 - 29.8}

Richard Meeker, Montana Juvenile Probation Officers' Association.

Bonnie Adee, Mental Health Ombudsman, Montana.

Rayelynn Connle, AYA, Teacher.

Jani McCall, Montana Children's Initiative.

Al Davis, Montana Mental Health Association.

REP. TIM CALLAHAN, HD 43, Great Falls.

Anita Roessmann presented a letter from Deb Strohmyer, Exhibit 8.

EXHIBIT(aph57a08)

Opponents' Testimony:

Joe Williams, Department of Corrections, said, "The agency stands in strong opposition to this bill. There is less money. We are supposed to manage the resources we have as effectively, as efficiently as possible. If juvenile probation officers wanted to refer youth to AYA they could do that. They have that total

{Tape: 4; Side: B; Approx. Time Counter: 0 - 29.8}

discretion. The fact is, they aren't."

Karen Duncan, Bureau Chief, Juvenile Community Corrections, Department of Corrections, handed out and explained testimony, Exhibits 9 and 10.

EXHIBIT (aph57a09)

EXHIBIT (aph57a10)

Informational Testimony:

REP. FISHER referred to the subcommittee work on this issue.

Karla Gray, Chief Justice, Montana Supreme Court, said she has no history with these matters, either with regard to the Department or otherwise. She has no problem with the concept of this bill, so long as the bill is fully resourced with staff, operating expenses, space, computers, etc. Also because the effective date on the bill is July 1, 2003, Judiciary would not be able to do the extra work by that time.

Questions from Committee Members and Responses:

REP. JAYNE said, "The critical part of the whole bill is the transferring of the funds from Corrections to Judiciary. Why is that important?" **REP. MENDENHALL** said this just moves the amount decided on in HB 2, from Corrections to the Judicial Branch. It should be a lateral transfer. The money and people associated with it would be moved.

REP. KAUFMANN said she was interested in the issue of policies versus rule-making. "Is it correct that the Supreme Court wouldn't operate by rule-making because it is not part of the Executive?"

{Tape: 5; Side: A; Approx. Time Counter: 0 - 29.6}

Chief Justice Gray said the Supreme Court is not a rule-making body under the usual rule-making procedures. They do policies, mostly internal. The District Court Council might be the original policy body on how to schedule bills and the adoption or rejection.

REP. MUSGROVE asked why does the lateral move, as the sponsor described, constitute almost \$1.7 million on the General Fund. **REP. MENDENHALL** said his lack of knowledge in the bill drafting resulted in a debacle in the fiscal note. Most of that fiscal note is made up of the difference between the Executive budget and the amount that is currently in HB 2, per **REP. CALLAHAN's** amendment which added \$1 million. There is also a double accounting issue. An amendment strikes that section and does away with those issues in concert with the amount that makes sense. He believes a revised fiscal note will be prepared per the amendment.

Closing by Sponsor:

REP. MENDENHALL said HB 739 results in a logical, efficient alignment of over-sighted funds within government. The resources go along with the funding. The amendment deals with that as does the .05% administration costs. They will all be housed in the probation offices across the state. The sponsor closed the hearing on HB 739.

CHAIRMAN LEWIS announced a recess until the House adjourns.

The meeting reconvened at 3:15 p.m.

HEARING ON HB 735

Sponsor: **REP. STAN FISHER, HD 75, Big Fork**

Opening Statement by Sponsor:

REP. FISHER said a job registering program was established by statute in 1992 by the legislature. The purpose was to assist state employees who, for one reason or another, were laid off from a state agency. Under the program, a former employee could register with the Department of Labor and Industry for a list of jobs within the state agencies which might be open. HB 735 is a committee bill which will eliminate the program with the concurrence of the Department of Labor and Industry and the committee's approval.

Proponents' Testimony: None

Opponents' Testimony:

Tom Schneider, Montana Public Employees' Association, said the program is important and would be willing to look at some alternatives. He would offer to strike the language on lines 17-19 which is fairly objectionable to the people who run the program and then he would request the committee take a look at lines 24-30 on Page 1 and lines 1-5 on Page 2, reinserting that and moving that to the Department of Administration and let that department run this program. He would not object to a sunset clause so it could be looked at at the end of this biennium.

Terry Minow, MEA/MFT and represents a number of public employees throughout the state who rise in opposition to HB 735 as it now stands.

Informational Testimony:

Ingrid Childress, Administrator, Workforce Service Division, Department of Labor and Industry, said it is within this Division that the responsibility for the job registry has been for the last ten years. They manage the job registry out of the job service and use part of their staffing there to support that. She is available for questions.

John McEwen, Administrator, State Personnel Division, Department of Administration, said they can set up a job registry by rule. They have personnel policy authority and as an alternative the state agencies are interested in registry as an option to consider people who have been terminated from another agency. They could run that pretty easily on the Internet.

Questions from Committee Members and Responses:

CHAIRMAN LEWIS said his recollection was that there was hardly anyone hired off the register. There was not a requirement that agencies fill positions. **Ms. Childress** said she had no data on that. What the registry did provide was an opportunity or a priority for applications for positions.

REP. FRANKLIN said, "From testimony during subcommittee, the registry was basically redundant. Is there any other data to indicate that it might be useful?" **Mr. Schneider** said he knows of five people who have been hired off the registry since it started.

Closing by Sponsor:

REP. FISHER closed the hearing on HB 735.

HEARING ON HB 746

Sponsor: **REP. DAVE LEWIS, HD 55, Helena**

Opening Statement by Sponsor:

{Tape: 5; Side: B; Approx. Time Counter: 0 - 29.4}

REP. LEWIS said the bill is for an accountable party in the process of getting permits. He thinks it should be the county. They have the ability to do this and could set the fees at the level needed to generate the money to do the job. The small counties could be given the ability to contract with other people

to do the job. The major theme of the criticism was "they have to have DEQ in the process otherwise the county commissioners will be too responsive to the public." His objective to putting the bill in was to help the public get someone who would at least respond.

Proponents' Testimony:

Jim Kembel, Montana Association of Registered Land Surveyors, said they have a very short construction season. The surveyors said they will try anything to improve the situation. It may improve.

Peggy Trenk, Montana Association of Realtors, said there has been a lot of work done in previous interims and, through the consensus process, have worked to address some of the problems.

Jerry Ordman, Big Sky, citizen

Opponents' Testimony:

Travis West, Director, Health Department, Stillwater County, said this bill is not necessary. The process is there for those counties who want to review locally, which is much better for the consumer, developer, realtor, or anybody. This bill mandates every county to do it. With that comes responsibility and liability in subdivisions.

Terry Murphy, Certified Subdivision Reviewer, Lake County, spoke in opposition to the bill.

Tammy McGill, Stillwater County, also spoke in opposition to the bill.

Peter Nelson, Supervisor, Missoula City/County Health Department, Missoula, submitted a letter from the Mayor of Missoula, Mike Kadas, urging the committee to vote against the bill and a Statement of Agreement, Reviewing and Permitting Sanitation Systems in Subdivisions from the Montana Consensus Council.

EXHIBIT (aph57a11)

EXHIBIT (aph57a12)

Gordon Morris, Director, Montana Association of Counties.

{Tape: 6; Side: A; Approx. Time Counter: 0 - 30.4}

Tim Roark, Departmental Health Director, Gallatin County/City Health Department.

Ann Mary Dussault, Chief Administration Officer, Missoula County.

Linda Stoll, Montana Local Health Officers Group.

Informational Testimony:

Karl Ohs, Lt. Governor, State of Montana, said he lived through this process in the 1999 session. It was very confusing for both the constituents, the planners and people involved in subdivisions. They did get an agreement for all the interested people involved through a consensus process. That took place in the summer of 2000 and the bill did pass last session, 2001.

Steve Welch, Department of Environmental Quality, said he will be available to answer questions.

Questions from Committee Members and Responses:

In response to a question from **REP. KAUFMANN, Ms. Trenk** said the ultimate solutions to the problem would be sole reviewing authority resting in one place or the other. Her support for this bill is an extension of that.

REP. FISHER asked Mr. Welch how many people he had in his department. **Mr. Welch** said the total agency is 360. There are nine who review subdivisions. They reviewed 1700 subdivisions but do not review the subdivisions that the counties have already reviewed. **Bonnie Lovelace, Bureau Chief, Water Protection Bureau, Department of Environmental Quality,** said with regard to what the counties review, that does fluctuate significantly year to year based on applications and how many counties are currently contracted. **Ms. Lovelace** handed out and explained Exhibit 13. **EXHIBIT (aph57a13)**

REP. WITT asked for further explanation from Ms. Lovelace, Ms. Trenk, and Mr. Morris.

Closing by Sponsor:

REP. LEWIS said the process is still broken. Constituents are being victimized by a process that seems to be absolutely designed to make it as difficult as possible to get a service from government that they should be able to get without having to go through what a lot of people go through. The Sponsor closed the hearing on HB 746.

{Tape: 6; Side: B; Approx. Time Counter: 0 - 29.4}

EXECUTIVE ACTION ON HB 701

Motion: REP. CALAHAN moved that HB 701 DO PASS.

Motion: REP. CALLAHAN moved that HB 701 BE AMENDED, HB070102.abl AS CHANGED BY THE CLERK.

Discussion:

Ed Smith, Clerk of the Montana Supreme Court, said they do not need to have the first amendment. They do need the second amendment which addresses the concerns the committee had last week when the bill was heard. The concern was for individuals that are jointly appointed by either local District Court Judges or Supreme Court Justices that a new justice or judge coming in could not replace them unless there was an agreement. In those judicial districts (five in Montana) where the individual judge only has one personal staff, that person would also serve at the pleasure of the judge, regardless of whether the individual had the title of court reporter. The most important portion of the amendment is subsection 4 which states that the personal staff of the justices, judges, and clerks of the Supreme Court are subject to the pay matrix adopted by the Supreme Court under this section. No elected official could come in and arbitrarily set some salary for an individual.

REP. LINDEEN read a letter written by three Supreme Court Justices to REP. NEWMAN stating they endorsed the amendment.

Vote: Motion on amendment HB070102.abl carried 15-4 with REPS. CLARK, HAINES, KASTEN and WITT voting no on a voice vote.

Motion: REP. CALLAHAN moved that HB 701 DO PASS AS AMENDED.

Discussion:

REPS. JAYNE, LEWIS, HAINES, FRANKLIN, KAUFMANN, SINRUD, and JUNEAU discussed the bill and amendment at length.

EXHIBIT(aph57a14)

Vote: Motion carried unanimously 19-0 on a voice vote.

EXECUTIVE ACTION ON HB 736

Motion: REP. HEDGES moved that HB 736 DO PASS.

Discussion:

Lois Menzies, Executive Director, Legislative Services Division, said the large items are compensation for legislators, and their expenses. Generally speaking, if there is an eight-member committee it runs about \$7,000. For a ten-member committee it is about \$10,000. The puzzling thing in this bill is that compensation and expenses are not allowed.

REP. PATTISON spoke of his concerns with the budget crisis.

Motion: **REP. JUNEAU** moved that HB 736 BE AMENDED, HB073601.ace
EXHIBIT (aph57a15)

Discussion:

REP. JUNEAU explained the amendment.

REPS. WITT and **LEWIS** discussed the amendment.

{Tape: 7; Side: A; Approx. Time Counter: 0 - 29.1}

Vote: Motion on amendment HB073601.ace carried 17-2 with **REPS. KASTEN** and **PATTISON** voting no on a voice vote.

Motion: **REP. KASTEN** moved that HB 736 BE CONCEPTUALLY AMENDED, Page 2, line 8, TO REMOVE THE SEMI-COLON AND INSERT: INCLUDING CHARTER SCHOOLS.

Discussion:

REP. BUZZAS asked why the language should be put in if there are no charter schools in the state. **REP. KASTEN** said he is concerned with the rural areas where there has to be some flexibility. **REP. BUZZAS** said if that is his concern, it could be assumed that and every other possibility is already in current language. She does not think it is necessary and limits the options. There are a lot of ways that charter schools are defined.

REP. MUSGROVE said there was a study made last session that included too many elements to make it valid. If this one is cluttered, it will do the same thing.

REPS. FRANKLIN, BRUEGGEMAN, LEWIS, and **KASTEN** discussed the amendment further and then **REP. KASTEN** withdrew his motion.

REPS. JUNEAU, LEWIS, KAUFMANN, MUSGROVE and FISHER commented on the issue.

Motion: **REP. PATTISON** moved that **HB 736 BE CONCEPTUALLY AMENDED, TO STRIKE THE WORDS; GENERAL FUND TO.**

Discussion:

REPS. FRANKLIN, BUZZAS, PATTISON, KAUFMANN and WITT discussed and commented on the amendment.

Vote: Motion failed 2-17 with **REPS. KASTEN and PATTISON** voting yes on a roll call vote.

Discussion:

REP. MUSGROVE said one of the problems is that a number of the committee know some of the legislation that has to come forward and there hasn't been anybody willing to carry some of that type of legislation. He feels when he is term limited, he will.

Motion/Vote: **REP. CLARK** moved that **HB 736 DO PASS AS AMENDED.**
Motion carried unanimously 19-0 on a voice vote.

EXECUTIVE ACTION ON HB 276

Motion/Vote: **REP. LINDEEN** moved that **HB 276 BE TAKEN OFF THE TABLE, FOR PURPOSES OF AMENDMENTS.** Motion carried 17-2 with **REPS. PATTISON and WITT** voting no on a voice vote.

Motion: **REP. LINDEEN** moved that **HB 276 DO PASS.**

Motion: **REP. LINDEEN** moved that **HB 276 BE AMENDED, HB027602.ate.**

Discussion:

REP. LINDEEN explained the amendment by saying there was some concern about the fiscal note which these amendments would completely wipe out any fiscal impact. Rather than having the Economic Development Corporations or Certified Regional Development Corporations come to this group and submit grants and proposals, this amendment would take the funds that come off the interest that is earned off the Economic Development Trust Fund, and will be distributed equally among the Certified Regional Development Corporations. These corporations are actually funded in a bill that has already gone through the House, is on its way out of the Senate, and probably on its way to the Governor's

office. There are 12 Regional Development Corporations in the state so that is where the money would go. It would not be used for any kind of operating expenses, just projects only.

{Tape: 7; Side: B; Approx. Time Counter: 0 - 29.2}

Dave Gibson, Governor's Office, said they created a new competitive process by which they selected 12 organizations that covered every area in the state. They will get the money, but they will have established under HB 76, a process by which they are getting certified communities' money from the state that goes out to 80 different groups. This just augments the money and the processes that are already going to be in function and managed through HB 76.

REPS. JAYNE, LINDEEN, FISHER, CALLAHAN, JUNEAU, KAUFMANN, HAINES, PATTISON, LEWIS and MUSGROVE discussed the issue, concerns and asked questions of Mr. Gibson and **REP. LINDEEN**.

Vote: Motion carried 15-4 with **REPS. FISHER, KAUFMANN, PATTISON and RIPLEY** voting no on a roll call vote.

Motion: **REP. LINDEEN** moved that HB 276 DO PASS AS AMENDED.

Discussion:

REPS. KASTEN, LEWIS, KAUFMANN and MUSGROVE to Mr. Gibson for further clarification.

{Tape: 8; Side: A; Approx. Time Counter: 0 - 29.4}

REP. LINDEEN closed on the motion.

Vote: Motion carried 15-4 with **REPS. FISHER, JAYNE, KAUFMANN and PATTISON** voting no on a voice vote.

{Tape: 8; Side: B; Approx. Time Counter: 0 - 4.3}

Exhibit 16 given to Secretary after the meeting.

EXHIBIT (aph57a16)

ADJOURNMENT

Adjournment: 6:05 P.M.

REP. DAVE LEWIS, Chairman

MARY LOU SCHMITZ, Secretary

DL/MS

EXHIBIT (aph57aad)